GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill #	SB0462		**Title:**	Statewide health insurance plan for school personnel
Primary Sponsor:	Kitzenberg, Sam		**Status:**	As Introduced

- [x] Significant Local Gov Impact
- [x] Needs to be included in HB 2
- [ ] Technical Concerns
- [ ] Included in the Executive Budget
- [x] Significant Long-Term Impacts
- [ ] Dedicated Revenue Form Attached

FISCAL SUMMARY

	FY 2008 Difference	FY 2009 Difference	FY 2010 Difference	FY 2011 Difference
Expenditures:				
General Fund	$30,375	$4,243,261	$5,416,363	$5,657,097
State Special Revenue	$0	$1,905,687	$2,315,611	$2,547,172
Federal Special Revenue	$0	$1,473,731	$1,790,739	$1,969,813
Proprietary and Other	$0	$5,132,651	$6,236,711	$6,860,386
Other - Group Insurance	$270,744	$190,232,460	$209,075,336	$229,797,986
Revenue:				
General Fund	$0	$0	$0	$0
State Special Revenue	$0	$0	$0	$0
Federal Special Revenue	$0	$0	$0	$0
Proprietary and Other	$0	$0	$0	$0
Other - Group Insurance	$270,744	$190,232,460	$209,075,336	$229,797,986
Net Impact-General Fund Balance	($30,375)	($4,243,261)	($5,416,363)	($5,657,097)

Description of Fiscal Impact:

This bill provides for K-12 employees, retirees, and their dependents who meet certain eligibility requirements to become participants in the state employee benefit plan. It provides for school districts to levy taxes necessary to provide funding to pay the state share contribution on behalf of participants as an employer contribution. The bill also provides for the SEGBAC to include representatives of K-12 districts. The Department of Administration is responsible for providing a transition plan for K-12 participants and administration of the plan. The number of participants in the State's health plan would increase 123% with SB 462, and require that the health care and benefits, payroll and benefit operations, and information technology units in state government expand their services to accommodate the additional enrollees. The act is effective July 1, 2008. Preparation for expanding services would need to begin prior to July 1, 2008 in order to be ready to provide services by the effective date.

FISCAL ANALYSIS

Assumptions:

Department of Administration

1. During 2005 the Legislative Quality Schools Interim Committee explored issues related to health insurance coverage for K-12 schools. The Department of Administration (DOA) worked with various stakeholders to access data permitting analysis of the claims costs and demographics associated with K-12 employees, retirees, and their covered dependents, to provide information during those deliberations. Approximately 2/3 of the claims data from three years (2002/2003, 2003/2004 and 2004/2005) was scrubbed of personal identifier information and fed to a claims warehouse. (Transfer and handling of protected health information was done in accordance with HIPAA.) The department's benefits and actuarial consultant, Buck Consultants then analyzed the data. For purposes of this fiscal note, certain information from these analyses will be used.
2. The state anticipates that approximately 20,000 K-12 employees will become eligible for coverage under the State Plan.
3. In the State Employee Plan, for the third-quarter of 2006 there were 15,521 employees, retirees, Legislators, and COBRA contract holders. In total there were 31,469 covered lives in the plan. The ratio of contract holders to subscribers is 2.03.
4. Assuming that there will be approximately 2.03 people per contract for K-12 employees, the total covered lives for the K-12 population would be 2.03 x 20,000 or roughly 40,550. The total combined plan would cover about 72,000 lives. This is a 129% increase in the number of individuals covered by the State of Montana's self-insured health plan under SB462.
5. From the three-year's data analysis, the K-12 school population was benchmarked against the State employee plan population. Based on age-sex demographics, the expected difference in risk showed that K-12 employees should have claims that cost approximately 3% more than the state employees on a per capita basis. However, when the actual claims experience was analyzed, the relative risk for K-12 employees turned out to be 22.8% higher than a comparable state employee population.
6. Table A is a calculation of the combined plan results for the 2007-2011 calendar plan years for the incorporated state employee and K-12 employee (as well as retirees and dependents) plan. The 3rd quarter 2006 revenue and expenditure results of the state employee plan were the basis for the calculation. The net result shows that based upon the relative higher risk of K-12 employees, current expenditure trends, and known employer contribution increases, there are net operating losses calculated for those plan years.
7. Table A assumes the calendar year 2006 statutory state share contribution of $506 per employee per month for the State Employee Plan. That amount increased by 10% to $557 for calendar year 2007. For calendar years 2008 and 2009, the state share increase is estimated to be 6% each year. For 2010 and 2011 this fiscal note assumes a state share increase of 10% each year. This level of employer contribution is assumed for current law.
8. For purposes of this fiscal note, no assumption of expenditure of reserve balances from employer plans (either the state plan or school plans) is made. (Please see assumption 18. for discussion of reserves.) The bill requires school district insurance reserves to be maintained for purposes of paying the employer contribution on behalf of district employees to this combined plan. Reserve balances shown in Table B. are not included in the fiscal note costs.

9. In order to bring the plan revenues and expenditures into balance, additional revenue would need to be generated. Historically since its inception, the state plan has been supported approximately 2/3 by employer contributions and 1/3 by out-of-pocket contributions. This fiscal note assumes that the net operating losses will be made up by a combination of charging additional out-of-pocket premiums to plan participants as well as increasing employer contributions. Employers are assumed to make up 2/3 of the revenue shortfall.
10. School districts comprise 55% of the participants in the plan and the state employee population comprises 45% of the participation. The State of Montana as an employer is assumed to pick up 45% of the employer portion of the operating shortfall. The remaining 55% of the operating shortfall would be picked up by school districts as the other employers.
11. Table A also calculates the per premium increase for plan participants necessary to make up 1/3 of the operating shortfall. It is calculated as an increase in premiums per contract for those employees and retirees who cover dependents on their insurance policies. Historically the state plan has covered 100% of the employee costs (through the employer contribution) and not spread these costs to individuals who only cover themselves on their policy. Currently 44% of individuals on the state plan cover only themselves. The remaining 56% cover dependents.

Table A. Calculation of Combined Plan Revenue and Expenditure based on 3rd Q 2006 State Plan Experience

	State Plan Enrollment 3rd Q 2006	*K-12 Enrollment Estimate	State Plan Distribution (%)	K-12 Distribution (Calculated %)
Traditional Plan	9,759	13,782	63%	69%
New West Plan	3,689	2,069	24%	10%
Blue Choice Plan	1,858	3,657	12%	18%
Peak Plan	218	491	1%	2%
Total Med/Rx/Dental	15,524	20,000	100%	100%

* Note: K-12 contracts are redistributed to reflect availability of plans relative to population

	Plan Year 2007 Revenue (per employee)	Plan Year 2007 Expenses - State Plan (per employee)	Plan Year 2007 Expenses – K-12(per employee)	Loss Ratio (State Plan)	Loss Ratio (K-12)
Traditional Plan	$550.57	$577.81	$709.55	105%	129%
New West Plan	$525.25	$403.78	$495.84	77%	94%
Blue Choice Plan	$602.83	$531.87	$653.14	88%	108%
Peak Plan	$592.93	$593.31	$728.58	100%	123%

*Note: 3rd Q 2006 results are trended by 10% for revenue increases and 10% for claims trend to estimate 2007 plan year results and 6% revenue and 10% claims trend for 2008 plan year results.

	Plan Year 2007 Total Revenue (State Plan)	Plan Year 2007 Total Revenue (K-12)	Plan Year 2007 Total Expenses (State Plan)	Plan Year 2007 Total Expenses (K-12)	New Plan Loss Ratio
Traditional Plan	$64,476,386	$91,055,015	$67,665,939	$117,346,912	119%
New West Plan	$23,251,767	$13,043,108	$17,874,400	$12,312,747	83%
Blue Choice Plan	$13,440,765	$26,457,136	$11,858,618	$28,664,958	102%
Peak Plan	$1,551,113	$3,496,664	$1,552,091	$4,296,612	116%
Totals	$102,720,030	$134,051,923	$98,951,049	$162,621,229	110%
2008 Plan Year Totals:	Total Revenue (6%+)	$250,978,270	Total Exp (10%+)	$287,729,506	
			Net Operating Loss for 6 mo. Plan Year 2008	$18,375,618	

2009 Plan Year Totals:	Total Revenue (6%+)	$266,036,966	Total Exp (10%+)	$316,502,456
		Net Operating Loss for Plan Year 2009		$50,465,490
2010 Plan Year Totals:	Total Revenue (10%+)	$292,640,663	Total Exp (10%+)	$348,152,702
		Net Operating Loss for Plan Year 2010		$55,512,039
2011 Plan Year Totals:	Total Revenue (10%+)	$321,904,729	Total Exp (10%+)	$382,967,972
		Net Operating Loss for Plan Year 2011		$61,063,243

Percent Distribution by contract type:

	Single	Cover Dependents	
	44%	56%	Based on State Plan ratios
Combined Total	15,631	19,893	

Net Operating Loss by Fiscal Year

		FY 2008	FY 2009	FY 2010	FY 2011
TOTAL OPERATING LOSS		**$0**	**$43,608,363**	**$52,988,764**	**$58,287,641**
EMPLOYEE'S SHARE	**1/3 of net operating loss**	**$0**	**$14,536,121**	**$17,662,921**	**$19,429,214**
Per contract premium cost for multi-party contracts (non-singles)	**K-12 School Employees-**Per member/month	**$0.00**	**$60.89**	**$73.99**	**$81.39**
	Total amount		**$8,183,831**	**$9,944,219**	**$10,938,641**
	State Employees Per member per month	**$0.00**	**$60.89**	**$73.99**	**$81.39**
	Total amount		**$6,352,290**	**$7,718,703**	**$8,490,573**
EMPLOYER'S SHARE	**2/3 of net operating loss**	**$0**	**$29,072,242**	**$35,325,843**	**$38,858,427**
Employer Share (Net Operating Loss) apportioned K-12/State	**K-12 School Dist. (55% of combined plan)**	**$0**	**$16,367,662**	**$19,888,438**	**$21,877,281**
	State Employee Plan (45% of combined plan)	**$0**	**$12,704,580**	**$15,437,405**	**$16,981,146**

12. The DOA is responsible for operation and administration of the combined plan. Currently the Health Care and Benefits (HCBD) division within the department has 10.87 FTE authorized for operating the existing state employee benefit plan and an additional 4.0 FTE are requested in the Executive Budget. To implement SB 462 HCBD will need to increase staff by 16.0 FTE. These staff will perform direct customer service, contracting and vendor maintenance tasks, benefits and plan design development, network development and negotiations, nurse case management services, wellness program expansion and administration, financial and plan management, and training and support to school district personnel and plan participants in the field. These positions are replicas of existing staff that are subject to expansion based on number of participants in the plan. Personal services for the additional staff are projected at $818,751 annually. In the development year of FY 2008, it is assumed that five staff would be added for the last quarter of the fiscal year, to get the plan ready for operation on July 1, 2008. In FY 2009 through 2011 personal service costs are assumed not to change. For the state plan, 40% of the employees are located in Helena as well as the headquarters of all state agencies. School districts are located across the

state which will require staff to travel out of the office and reduce the current efficiencies we have as a single employer for communicating, providing customer service, and for training personnel staff. Operating costs in HCBD are estimated to be $97,455 for the last quarter of FY 2008 including the one-time setup of office equipment and furniture. In FY 2009, 2010, and 2011 respectively, operating costs are projected at $294,157, $310,780, and $317,565. Annual increases in operating costs reflect a contractual 2% increase in leased office space, additional in-state travel costs, and a 3% inflation adjustment of other operating expenses in FY 2010 and 2011.

13. The Benefit Operations section within DOA's payroll unit is responsible for the data integrity of the benefits eligibility processing of all participants in the State of Montana's self-insured health plan. Currently the section employs 5.43 FTE to support the 32,000 participants on the plan. It is assumed that 8.0 additional FTE will be needed to support the additional 38,500 lives within the school districts. These staff will provide direct customer service and update data files related to benefit eligibility; compute, distribute and reconcile premium costs and third-party administrative fees for the various health plans offered by the State; generate and analyze electronic reports; and verify the accuracy of coverage provided to the school districts' employees, retirees, and covered dependents. These positions are replicas of existing staff that are subject to expansion based on the number of participants in the plan. Personal services are projected to cost $396,636 annually. It is assumed that this staff will be in place for the last month of FY 2008. In FY 2009 through 2011 personal service costs are assumed not to change. Operating costs for the section are estimated to be $20,110 in FY 2008, which includes the one-time setup of office equipment and furniture; $40,552 in FY 2009, $44,921 in FY 2010, and $45,281 in FY 2011. Annual increases in operating costs other than DOA building rent costs have been adjusted by a 3% inflation factor in 2010 and 2011.
14. DOA's Technology Services Division (ITSD) and the SABHRS unit in DOA's Administrative Financial Services division provide all information technology support for the benefit eligibility system. The following costs are projected for expanded technology requirements, utilizing the same operating platform which is in place currently, as a result of adding approximately 20,000 school district employees, retirees and covered dependents, from 400 separate school districts around the state onto the state's health plan under SB 462.
    - Increased disk space: Currently 130Gb is utilized for the human resource benefit eligibility production environment alone. It is estimated that 500Gb of additional disk space will be required for development, test, and production space requirements to manage the additional 20,000 employees that would be brought on the system. This additional space is estimated to cost $454,107 annually. For purposes of this fiscal note it is assumed that the cost for increased disk space will not be incurred until July 1, 2008.
    - Access to SABHRS: The school district system users will need Citrix access to SABHRS which may or may not be already in place for reporting with OPI. For purposes of this fiscal note it is assumed that this access does not exist and will be an addition to the network operating environment. For 400+ school districts with 2 users at each site the access fees are estimated at $206,400 annually. For purposes of this fiscal note, access fees will not be a cost until FY 2009. In addition, the state would need to add 3 Citrix servers to handle the increased use at a one-time cost of $30,000. These acquisitions are assumed to occur in FY 2008 so the equipment is ready when SB 462 goes into effect on July 1, 2008.
    - Oracle Maintenance Fees: The current State contract for maintenance costs is based on the State's annual budget and a maximum of 12,000 FTEs on the system. Each school district employee would be an additional FTE and would factor into the calculation of the maintenance fee cost. eProfile and eBenefits self-service modules would not be available to the school districts because of the lack of an outward facing portal to access the MINE system. It is estimated that annual

maintenance fees will increase $104,298 with the addition of the school district employees. For purposes of this fiscal note it is assumed that this cost would not begin until FY 2009.

- Interface between districts and State: It is assumed that this interface already exists and is sufficient for the needs of this fiscal note.
- FTE and operating costs: It is estimated that an additional 1.50 FTE, at an annual cost of $88,000 will be needed in IT operations to implement and support the system configuration, modifications and maintenance necessary with this fiscal note. It is assumed that this cost will begin in the last quarter of FY 2008 and continue in each year thereafter. Additional operating expenses of $4,410 in FY 2008; $2,040 in FY 2009; $2,053 in FY 2010; and $2,066 in FY 2011 are projected which includes a 3% inflation factor for miscellaneous supplies in FYs 2010 and 2011.

15. DOA's HCBD, Payroll and Benefit Operations section, ITSD and SABHRS programs will invoice the school districts for services provided in maintaining and administering the health insurance plan for the benefit of the districts. All additional internal operating costs incurred by these state proprietary programs will be charged back to a single representative for the school districts (presumably OPI). The start-up costs incurred by the state in FY 2008 will be collected in equal installments over the following three years.
16. The State's share of the resulting loss to the health plan, from the merging of the school districts' loss ratios with the State's more favorable loss ratio, is spread amongst the funding sources in the following percentages. General fund = 33%; State Special Revenue fund = 15%; Federal Special Revenue fund = 11.6%; and Other funds = 40.4%. The remaining revenues and expenses included in this fiscal note occur in other proprietary funds.
17. Currently the State Employee Benefit Plan is required by 2-18-812,MCA to maintain reserves sufficient to fund the unrevealed claims liability (i.e. incurred but not reported claims liability - IBNR). The new combined plan would be subject to the same parameter. The amount of reserves necessary to fund the estimated IBNR for the additional eligible members added to the existing plan are:

Table B. Projected IBNR (Reserves) Balances Needed				Fiscal Year Basis
	FY2008	FY2009	FY2010	FY2011
K-12 Employee IBNR	$10,634,615	$22,332,692	$24,565,961	$27,022,557
State Employee IBNR	$13,107,446	$15,175,816	$16,751,220	$18,490,168
State Empl (Grandfather Reserves)	$1,084,350	$1,013,950	$948,150	$886,550
Total IBNR Reserve Combined	$24,826,411	$38,522,458	$42,265,332	$46,399,275

18. The reserves for the combined State Employee/K-12 Health Plan may be funded in one of two ways:
    a. At this time, the IBNR for the State Employee Benefit Plan is funded and is calculated at 16.67% of medical claims, 1.92% of prescription drug claims, and 8.33% of dental claims. The total required reserve needed to satisfy IBNR is estimated to be $12.5M at the end of calendar (plan) year 2006. The State Plan has sought to maintain operating reserves (called the claims fluctuation reserve) above this required IBNR requirement in order to maintain plan solvency and stability. At the end of calendar (plan) 2006, the claims fluctuation reserve or ending fund balance (without IBNR) is projected to be $29.1M

       One method of funding the reserves for the combined plan would be to use the claims fluctuation reserve as the required IBNR for the 20,000 projected K-12 employees plus their dependents coming into the plan. This would require that the reserves from the State Employee Group Benefits Plan, which were built by the state as an employer and state employees, retirees, Legislators and their dependents as plan participants, would be used to form the reserves for other employer groups (K-12 school districts) coming into the plan.

b. Alternatively, the State could request a loan from the Board of Investments in the amount necessary to provide the additional reserves for the K-12 school districts coming into the plan. Loan proceeds would be repaid through a surcharge placed on premiums to participants in the plan (all participants).

<u>Office of Public Instruction</u>

19. It is estimated that 18,000 school district employees and 2,000 retirees will participate in the school district employee group benefits plan effective July 1, 2008.
20. SB 462 requires the DOA, in consultation with the Office of Public Instruction (OPI), to adopt procedures for enrolling school district employees in the group benefit plan and for the payment and collection of employer and employee contributions. The collection of employer and employee contributions must be accomplished through the withholding of direct state aid or guaranteed tax base payments.
21. OPI will need a report from the DOA each month showing lump sum amounts due by district. OPI will withhold K-12 BASE aid payments in the amount indicated on the DOA reports. OPI will then initiate a transfer of authority from the OPI general fund appropriation to DOA.
22. OPI will need 1.0 FTE, Band 5 accountant at a cost of $45,750 for personal services ($33,823 salary and $11,927 benefits) and $7,500 for operating expenses. This position would be filled by January 1, 2008 to be ready for the benefit year that begins July 1, 2008. This position will work with DOA to develop and implement procedures for enrolling school employees, administer the payment to the group benefit plan, and ensure the proper withholding from the K-12 BASE aid payments.

<u>All Agencies</u>

23. Inflation for personal services operating costs is anticipated to be 2.5% per year for the 2011 biennium.

Fiscal Impact:				
FTE	2.29	25.50	25.50	25.50
Expenditures:				
Personal Services	$118,770	$1,303,387	$1,335,972	$1,369,371
Operating Expenses	$121,974	$336,748	$345,167	$353,796
Operating Expenses ITSD 1	$0	$764,805	$783,925	$803,523
Equipment	$30,000	$0	$0	$0
Benefits	$0	$187,827,520	$206,610,272	$227,271,299
Transfers	$0	$12,704,580	$15,437,405	$16,981,146
TOTAL Expenditures	$270,744	$202,937,040	$224,512,741	$246,779,135
Funding of Expenditures:				
General Fund (01)	$0	$4,192,511	$5,094,344	$5,603,778
State Special Revenue (02)	$0	$1,905,687	$2,315,611	$2,547,172
Federal Special Revenue (03)	$0	$1,473,731	$1,790,739	$1,969,813
Proprietary and Other	$0	$5,132,651	$6,236,711	$6,860,386
Other - Group Insurance (06)	$270,744	$190,232,460	$209,075,336	$229,797,986
TOTAL Funding of Exp.	$270,744	$202,937,040	$224,512,741	$246,779,135

1 Includes increased disc space $454,107, Access to SABHRS $206,400, Oracle Maintenance Fee $104,298.

Revenues:				
Other - Group Insurance (06)	$270,744	$190,232,460	$209,075,336	$229,797,986
Net Impact to Fund Balance (Revenue minus Funding of Expenditures):				
General Fund (01)	$0	($4,192,511)	($5,094,344)	($5,603,778)

Office of Public Instruction

	FY 2008 Difference	**FY 2009 Difference**	**FY 2010 Difference**	**FY 2011 Difference**
Fiscal Impact:				
FTE	0.50	1.00	1.00	1.00
Expenditures:				
Personal Services	$22,875	$45,750	$46,894	$48,066
Operating Expenses	$7,500	$5,000	$5,125	$5,253
TOTAL Expenditures	$30,375	$50,750	$52,019	$53,319
Funding of Expenditures:				
General Fund (01)	$30,375	$50,750	$52,019	$53,319

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

General Fund (01)	($30,375)	($4,243,261)	($5,146,363)	($5,657,097)
State Special Revenue (02)	$0	($1,905,687)	($2,315,611)	($2,547,172)
Federal Special Revenue (03)	$0	($1,473,731)	($1,790,739)	($1,969,813)
Proprietary and Other	$0	($5,132,651)	($6,236,711)	($6,860,386)
Other - Group Insurance (06)	$0	$0	$0	$0

The Table C below summarizes the impacts of both the state and local governments.

Table C. Total Impact Summary – State and Local Expense				
K-12 School Districts – note most districts currently incur some health care cost see local impacts below	**FY2008**	**FY2009**	**FY2010**	**FY2011**
Admin/Operating Expense	$301,119	$2,404,940	$2,465,064	$2,526,690
Employer Share Net Operating Loss	$0	$16,367,662	$19,888,438	$21,877,281
Employer State Share Contribution	$0	$131,328,000	$141,912,000	$156,060,000
Total K-12 Impact (Employer)	**$301,119**	**$150,100,602**	**$164,265,502**	**$180,463,971**
State Plan Costs				
Admin/Operating Expense	$0	$0	$0	$0
Employer Share Net Operating Loss	$0	$12,704,580	$15,437,405	$16,981,146
Employer State Share Contribution	N/A	N/A	N/A	N/A
Total State Impact (Employer)	**$0**	**$12,704,580**	**$15,437,405**	**$16,981,146**
Out-of-Pocket Costs to Participants				
K-12 Employee Share Net Operating Loss	$0	$8,183,831	$9,944,219	$10,938,641
State Employee Share Net Operating Loss	$0	$6,352,290	$7,718,703	$8,490,573
Out-of-Pocket Premiums (K-12 Retirees and Dependents)	$0	$25,646,487	$27,197,663	$29,955,554
Total State Impact (Employer)	**$0**	**$40,182,608**	**$44,860,585**	**$49,384,768**
TOTAL Program Expenditures	**$301,119**	**$202,987,790**	**$224,563,492**	**$246,829,885**

Effect on County or Other Local Revenues or Expenditures:

1. Section 1 provides a permissive levy for school districts to levy up to the entire amount of premiums paid to the state to this district property tax.
2. If all the districts use this permissive levy to fund the health insurance requirements of school districts then the additional property taxes will be the employer contribution in Table C on page 8 or $150.1 million in FY 2008, $164.3 million in FY 2010 and $180.5 million in FY 2011.
3. It is not known how much school districts currently spend on health insurance, but a relative marker for the approximate level is the expenditure of districts on non-retirement benefits. In FY 2006 school districts spent $103 million on non-retirement benefits for employees. The majority of these expenditures would be health benefits.

Long-Range Impacts:

Department of Administration

This fiscal note assumes much of the same operation of the combined plan as the historic operation of the state employee plan. Specifically, assumptions such as maintaining the 2/3 employer payment of total plan costs, not increasing single participants costs beyond the amount that is covered by the employer contribution (i.e. 100% premium paid by employer) and increasing dependent premium costs to cover the operating shortfall. If those priorities or behaviors change, other performance of the plan may change also. In order to reduce adverse selection and encourage young, healthy participants to stay in the plan, the employer contribution has been historically high. If this priority shifts and more of the cost is on the member, the entire pool may become more high-risk. All of these are unknowns and impact the long-range performance of the pool.

Technical Notes:

Office of Public Instruction

1. A new budgeted fund will need to be created for school districts to budget for employer contributions for health insurance and to deposit the revenues from the permissive district levy.
2. A mechanism will need to be established so that school districts can transfer monies from the school district health insurance fund to the district general fund to compensate the district for the withholding of K-12 BASE aid.
3. The reserves for the expanded benefits pool are not included in the fiscal note. See assumptions 17 and 18.

Sponsor's Initials	*Date*	*Budget Director's Initials*	*Date*